

# Restore Louisiana Small Business Program

## Written Inquiry Responses for

### Notice of Funding Availability

1. Request for proposals seemingly provides for a detailed budget based on justification of expenditures. Page 29 Budget summary adds (15% / 0.5% limits) on budgetary costs. How will budget be approved? **OCD-DRU will determine the amount to be allocated to each subrecipient based on the total amount available for the program and the total numbers of subrecipients approved to participate in the program, along with other factors such as service area and capacity. Project delivery for each subrecipient should be 15% or less of the approved allocation amount.**

Does the proposed budget have to fall within 15% limitations based on page 26 projections of Loan Budget? **For budgeting purposes in the application, project delivery should be 15% or less of the total projected budget amount submitted by the respondent.**

What happens if Loan Budget is lower than projected and 15% is higher than the end program result? It is anticipated that the final budget will be adjusted to reflect the categorical percentages as submitted in the proposal. **The final budget adjustments may be negotiated by both parties, with the project delivery amount not exceeding 15% of the total award allocation.**

2. Are Administration Costs capped at 1% of 0.5% as indicated in Appendix III of the Solicitation? **The total administration costs must not exceed 1% as stated in the program guidelines. The 0.5% reflected in Appendix III is an error.**
3. Comment: The definition of Administration Costs is a killer. I personally handle, "general management, oversight and coordination" and then later, "general legal services". I also train employees and meet with clients. Logistically, to implement this program especially in Acadiana, I will be required to do significant travel. I am concerned that these costs if couched under Administrative will quickly eat up well over 0.5%. **If duties of a position fit the description of both the administrative and project delivery categories, then the budget for that position should be split between administrative and project delivery costs. A salary or wage for a position is not required to be categorized under either one or the other.**
4. Timeline Page 8: Announce award of Subrecipients selection on or about April 28-May 5, 2017  
What is the expected program roll-out date? **The anticipated date to begin accepting applications from businesses will be May 26.**
5. Marketing and Outreach: Page 15 asks respondent to propose organization's Marketing and Outreach. Will the state provide any marketing and outreach? **Yes, the state will advertise the program through media outlets, conferences, etc. starting in April.**
6. Guidelines page 12 of 26: Common ownership of different businesses/companies: if two or more companies or businesses with common ownership..... Owners with a > or equal to 50% share in two or more businesses may only qualify for one award each (a husband/wife team with 50%/50% ownership in two legally distinct companies may qualify for one business each).  
Two distinct hotels are owned by same corporation with accounting/financing and operations kept

separate. Corporation is owned by three individuals. Is there an opportunity to process two applications/awards? **In the scenario provided, both hotels are owned by one business and is therefore limited to one application and award.**

7. Can loans made through this program be secured? **Yes, the loans may be collateralized.**
8. Do we only need to submit applicant businesses to OCD-DRU for eligibility determination if we believe they need an exception from the requirements? The subrecipient will be responsible for determining eligibility for all applicant businesses. For applicant businesses that do not meet the eligibility requirements, the subrecipient may submit a request to **OCD-DRU to approve an exception to the requirements. All applications must be submitted electronically into the SAGE system by the subrecipient. OCD-DRU may review any business for eligibility as part of its monitoring of the subrecipient.**
9. For businesses that seem to meet the program requirements, will OCD-DRU confirm their eligibility at any point before an audit? **Subrecipient will make the eligibility determination based on the program guidelines. OCD-DRU will review a sample of all subrecipient files to ensure compliance with all programmatic requirements; however, it will be the subrecipient's responsibility to confirm eligibility for each applicant. OCD-DRU will verify duplication of benefits prior to awarding funds.**
10. How many exceptions to the maximum loan amount of \$50,000 do you anticipate making? In other words, do you expect making regular or infrequent exceptions for loans between \$50,000 and \$150,000? **It is uncertain how many exceptions will be made. Exceptions will be approved on a case-by-case basis and will be determined by OCD-DRU, who will review the justification submitted by the subrecipient.**
11. On pg. 12 of the Solicitation, there is a list of required attachments to the narrative i.e. Proof of Respondent's not-for-profit status, audited or review annual financial statements, operating budget for current fiscal year. Does this count towards the 10-page limit for the Project Narrative component indicated on pg. 11? **No, these documents will not count towards the 10-page limit.**
12. Can we submit our FY 2015 audited financial statements with interim statements if our FY 2016 audited financial statement is not complete by April 11? We anticipate this previous year's statement to be available by April 30 and could submit it at that time. **Yes, you will need to submit FY 2015 audited financial statements and 2016 unaudited financial statements. You will be required to submit FY2016 audited statements once they become available.**
13. Are we eligible to Apply for the CDBG Technical Assistance Grant if we apply for this financial award? **No, the Restore Louisiana Technical Assistance program will be administered by the Louisiana Small Business Development Center.**
14. Will there be another round of funding? **It is possible there could be another round of funding if more funds become available to this program or if all funds are not committed through the first phase of the program.**
15. What components of this loan program are forgivable? **The loan is 20% forgivable based on requirements listed in the guidelines.**

16. What are eligible matching funds? **Matching funds are a subrecipient's capital used to match the CDBG loan award (i.e. \$20,000 CDBG + \$20,000 subrecipient = \$40,000 loan award); the \$20,000 from the subrecipient would be considered to be matching funds. Additionally, if a subrecipient were to contribute human or financial capital toward the administration and program delivery of the program, those funds would be counted as matching funds.**

St. John Parish was greatly impacted by recent flooding; however, it is not listed in the list of eligible parishes. Will St. John Parish be eligible for servicing via this program? **No, as St. John was not a FEMA Individual Assistance declared parish under the 2016 Severe Storm and Flooding events. The impacted parishes listed for the program are those determined by HUD to have the most unmet housing needs based on FEMA's Individual Assistance program data.**